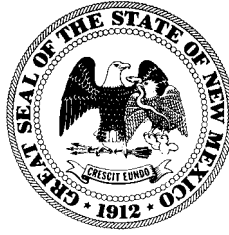


State of New Mexico



Office of the Attorney General
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PRESS RELEASE

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Carlsbad Couple Sentenced for Tax Evasion

(Santa Fe, NM)— Attorney General Patricia Madrid announced today that a Carlsbad husband and wife were sentenced by a District Court judge for tax evasion. Debra and Jacob Kupcak were convicted of 3 counts of tax evasion in August after claiming that they were not United States citizens and therefore did not have to pay state income taxes.

Debra Kupcak was sentenced to 10 years in prison, all but one year suspended. Starting Friday, September 24, she must turn herself in to the Santa Fe County jail and after serving her sentence, will be placed on probation for five years. Her husband, Jacob Kupcak, was sentenced to five years in prison, all but 10 weekends suspended. He must turn himself in to the Carlsbad jail every Friday at 6:00 PM for the next 10 weekends. The Kupcaks will also be required to pay \$880 for witness fees to the court and will be required to fill out tax returns for the years they avoided paying taxes, which was 2000 through 2002. Once their tax returns are completed, they will provide them to the state Taxation and Revenue Department to determine what interest and penalties they must pay on state income taxes.

"All of us are obligated to pay state taxes and the Kupcak's claims were not sufficient reasons for them to avoid paying what they owe," said Attorney General Patricia Madrid. "Let this case be an example to anyone who makes bogus excuses to get around paying any taxes that they may owe. I will prosecute tax evasion cases like this to the fullest extent of the law."

In September of 2002, Carlsbad residents Debra and Jacob Kupcak filed documents in the Eddy County Clerks office claiming not to be U.S. citizens. Carlsbad Police Chief Connie Mack Riley and City Administrator Jon Tully were notified about Kupcak's affidavit filed in the Eddy County Clerk's office and opened an investigation. One of the prerequisites for becoming a city

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law enforcement officer is U.S. citizenship. After presenting their findings to the Carlsbad City Council, a unanimous vote was taken to discharge Debra Kupcak from her job as a police officer, a job that she held for 12 years.

The case was brought to trial by the Attorney General's Office and the Inspector General of the State Taxation and Revenue Department.

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